

**Congress of the United States**  
**Washington, DC 20515**

May 16, 2007

The Honorable Henry A. Waxman  
Chairman  
Oversight and Government Reform Committee  
2157 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Dennis J. Kucinich  
Chairman  
Subcommittee on Domestic Policy  
2445 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Waxman and Chairman Kucinich:

In the 109<sup>th</sup> Congress, the Interior Department's Minerals and Management Service (MMS) was the subject of five investigative hearings by the Full Government Reform Committee and the Subcommittee on Energy and Resources focusing on flawed 1998 and 1999 oil and natural gas deepwater leases issued during the Clinton Administration.

These hearings exposed a culture of mismanagement, ethical lapses, and a cover-up at MMS under both the Clinton and Bush Administrations that will cost the Federal government billions of dollars in lost revenues. We are now five months into the 110<sup>th</sup> Congress and have not had a single hearing despite a number of significant developments. We are concerned that the interruption of this oversight work may negate opportunities for reform and recovery of owed royalties.

In response to a request made by a number of Members of Congress and Senators the Government Accountability Office (GAO) on April 12, 2007, confirmed that the U.S. Government has already lost \$1 billion and may lose as much as \$9.8 billion or more over the life of the leases.

Last week, the Department of the Interior announced the resignation of Minerals and Management Service Director Johnnie Burton – an official whose sworn testimony in front of the Subcommittee on Energy and Resources was contradicted by subsequent investigations. The Department of the Interior, however, stated that Ms. Burton's departure was not related to the debacle involving flawed deepwater leases.

While the Government Accountability Office has initiated a top to bottom review of MMS following a request from us, we continue to be concerned about the immediate direction of MMS and the reform recommendations that have already been made by the Inspector General.

Questions of particular importance include:

**What is being done and what progress has been made in recovering revenues uncollected due to flaws in 1998 and 1999 deepwater leases?**

**What reforms in MMS have been put in place following the recommendations of the Department of the Interior Inspector General?**

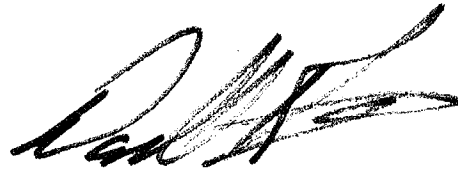
**Responding to the allegation made by the Department's own Inspector General that, "short of a crime, anything goes at the highest levels of the Department of the Interior," who has since been held accountable for mistakes and ethical lapses at MMS?**

In the 109<sup>th</sup> Congress, this investigation was conducted in a non-partisan manner with bipartisan support. We urge a resumption of this oversight and, specifically, a hearing to address pertinent questions following the resignation of Director Burton and the conclusions of the Inspector General.

Sincerely,



Tom Davis  
Ranking Member  
Oversight and Government Reform Committee



Darrell Issa  
Ranking Member  
Subcommittee on Domestic Policy